GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:4013
ANSWERED ON:14.12.2000
FREIGHT AND INSURANCE CLAIM OF H.A.L.
RAMJI MANJHI

Will the Minister of DEFENCE be pleased to state:

(a) whether the HAL has reportedly claimed Rs. 5.17 croreexcess payment on account of freight and insurance claim as has been disclosed on scrutiny of its accounts for the period 1995-99;

(b) if so, the reasons therefor;

(c) whether the excess amount has since been recovered;

(d) if not, the reasons therefor; and

(e) the action taken against the persons found responsible therefor?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) & (b): Yes, Sir. HAL undertakes repair and overhaul on behalf of IAF. Prior to 1995-96 items required for repairs and overhauls were credited to a joint IAF-HAL Store. This practice was changed in 1995- 1996 when Stores were owned only by HAL.However, in the bill of costs for the period 1995-1999 for repairs/overhauls deductions were made for IAF owned spares of earlier years but similar deductions for freight and insurance were not made.

(c) to (e): This was an inadvertent error and the excess amount paid to HAL has been recovered. There was no malafide intention and the company has taken action to issue necessary instructions to all concerned so that recurrence of such errors is avoided.